

deposits. In other words, if a bank has got \$10 million or less of deposits, then the tax rate should be only a dime, 10 cents, 10 cents per one thousand dollars of deposits. Well, I kind of worked that out here mathematically and I said, well, if you have got a \$10 million bank, that means that their tribute to the State of Nebraska is a little less than their country club dues. That means they pay the state for the privilege of using the state court systems to foreclose farm mortgages a little less than they pay to go to the country club, about a thousand dollars. That is pretty cheap, and, of course, they pay that whether or not they have any income. Now Roger Beverage, who is the Director of the Department of Banking and Finance, said publicly three weeks ago that a deposit tax will sound the death knell for several banks. That is what he said. Talked about banks in your district, Senator Eret, and your district, Senator Miller. He said a deposit tax will sound the death knell for several banks and he said I can't support a deposit tax because what a deposit tax does is a deposit tax levies a tax on a piece of property irrespective of the bank's ability to pay, and if they haven't got the ability to pay and they have got to pay the tax, that may be what puts them over the brink. So the Director of the Department of Banking and Finance specifically recommended against a deposit tax. He said we should not have a deposit tax. That is one of the reasons why the Revenue Committee has opposed a deposit tax. Well, Senator Conway is attempting to make the deposit tax, which the big banks want, the big banks want that in the worst of ways because, I will tell you why, a little secret, they have got all the income today, the big banks have got the money. They have got the money because they are in Omaha which is a wealthy community today and in Lincoln which is a wealthy community today. They are not in Davenport, Coleridge, Lexington, Cozad. They are in Omaha and they are in Lincoln and they have all the money and they have got to pay the basic tax under an income tax approach. So the big banks say, wait a minute, let our brothers out in the country and our sisters out in the country contribute and we will impose a deposit tax. Well, the trouble is the brothers and the sisters in the country today probably don't have the ability to pay because they are carrying the ag loans. It's their portfolio that has got a problem, not the big banks. The big banks say we want a deposit tax because that will lower our tax liability. We don't want an income tax because that will increase our tax liability. In the end I want a tax